



JUL 19 2002

The Honorable Bob Taft
Governor of Ohio
Columbus, Ohio 43215-6117

Dear Governor Taft:

It is with pleasure that I respond to the State of Ohio's request for a waiver of statutory and regulatory requirements under the Workforce Investment Act (WIA), in accordance with the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and sections 8-10 of the Wagner-Peyser Act. This authority is granted to the Secretary by section 189(i)(4)(A) of the Workforce Investment Act (WIA or the Act), and in the implementing regulations at 20 CFR 661.420.

These waivers grant states flexibility in program design for seamless program delivery and improved customer service, in exchange for accountability and agreed-to programmatic outcomes. We hope that these changes will assist your state in meeting its workforce needs and improving programmatic outcomes at the local level and statewide.

We are pleased to be able to respond positively to your request. The following is the disposition of the state's waiver submission.

Waiver: Subsequent Eligible Training Provider (ETP) Requirements; 18 month subsequent eligibility requirement (WIA Sec. 122(c)(5) and 20 CFR 663.530)

The state's waiver submission (copy enclosed) requests a waiver of the time limit on the period of initial eligibility of training providers found at 20 CFR 663.530. Under the waiver, the state proposes to postpone the determination of subsequent eligibility of training providers until January 1, 2004. The state indicates that the reason for this request is to give Ohio more time to obtain performance data on all eligible providers and to effectively implement the subsequent eligibility determination process. The state reports that data collection on performance of local providers will continue during the period of the waiver, if granted. The stated intent of the waiver is to give the state's



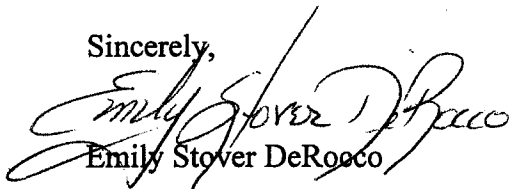
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program customers more and better choices among training providers. The state believes that the waiver will enhance the implementation of the WIA concepts of consumer choice and accountability. The waiver is written in the format identified in WIA section 189(i)(4)(B) and 20 CFR 661.420(c). Upon review, the state's request appears to meet the standard for waiver of requirements relating to key reform principles, as specified at 20 CFR 661.410(c).

Accordingly, the State of Ohio is granted a waiver of the time limit on the period of initial eligibility of training providers at 20 CFR 663.530 to extend the period of initial eligibility through January 1, 2004, as requested. The granted waiver is incorporated by reference into the state's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and also constitutes a modification of Ohio's approved five-year strategic plan. A letter is being sent to your state WIA Liaison, which supplements this notification letter and spells out the terms and conditions that apply to the granted waiver. A copy of each letter should be filed with the state's WIA Grant Agreement and the state's approved five-year plan, as appropriate.

We look forward to continuing our partnership with you and to the achievement of better workforce investment outcomes and the improvement of the lives of many of the residents of Ohio. We are prepared to entertain other state and local-level waiver requests that the state may wish to submit, consistent with the provisions of the Act and regulations.

Sincerely,

A handwritten signature in dark ink, appearing to read "Emily Stover DeRooco", is written over a horizontal line.

Enclosure



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OHIO DEPARTMENT OF JOB AND FAMILY SERVICES

145 South Front Street
P.O. Box 1618
Columbus, Ohio 43216-1618

Bob Taft
Governor

Tom Hayes
Director

March 12, 2002

Mr. Byron Zuidema, Regional Administrator
Region V, US Department of Labor
230 South Dearborn Street, 6th Floor
Chicago, IL 60604-1505

Dear Mr. Zuidema:

Enclosed is the Ohio Department of Job and Family Services request for a waiver from Section 122 (c) (5) of the Workforce Investment Act (WIA) and Section 663.530 of the Regulations. These sections concern the length of time before subsequent year eligibility for training providers is determined.

Ohio is an urban and rural state with small numbers of Individual Training Accounts (ITAs) issued in comparison to significant numbers of programs and training providers on the State List of Eligible Training Providers. We are asking for more time to accumulate WIA performance information on initial year eligible programs and training providers before local Workforce Investment Boards and this Department must determine subsequent year eligibility.

Since the inception of WIA, Ohio Department of Job and Family Services (ODJFS) and local Workforce Investment Boards (WIBs) have worked aggressively to support the WIA principle of "customer choice" by creating an extensive state list of eligible training programs and providers. Now, more time is needed to build a WIA performance information base to determine subsequent year eligibility.

The waiver is based on discussions with local WIA areas and local providers through regional forums and a Survey of Training Providers. Ohio will request the support of the Governor's Workforce Policy Board (GWPB) for the waiver on March 13, 2002 and inform them that if we are able to fully meet the deadlines with a new computer system we will terminate the waiver and comply.

If you have questions about the waiver, please contact John Weber, Chief, Bureau of WIA, from my staff, at (614) 644-8836.

Sincerely,

Donald R. Singer
Deputy Director
Office of Workforce Development

DRS/rjh

Enclosure

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Waiver Plan

The Ohio Department of Job and Family Services (ODJFS), Office of Workforce Development (OWD), is requesting a waiver to postpone determination of subsequent year eligibility for Training Providers until January 1, 2004. The reasons for this request are: to improve WIA performance information, to increase the accountability of training providers in determining subsequent year eligibility, and to enhance the overall quality of the individual training account (ITA) and the eligible training provider (ETP) process. The waiver is written in the format identified in WIA Section 89(i)(4)(B) and Regulations 661.420(c).

- A. **Statutory Regulations to be Waived:** Workforce Investment Act (WIA) Section 122 (c)(5) and Regulations 663.530, dealing with the time limit for initial eligibility, would be waived.
- B. **Goal to be Achieved as a Result of the Waiver:** The goal is to increase WIA performance information available on training providers initially eligible and on the State List of Eligible Training Providers. It will be accomplished by increasing the number of ITAs issued and accumulating WIA performance information on training providers for an additional two years.
- C. **State or Local Statutory or Regulatory Barriers:** There are no state or local statutory or regulatory barriers to implementing the requested waiver.
- D. **Description of Waiver Goal and Programmatic Outcomes:** Ohio is an urban and rural state with 8 Workforce Investment Areas. During Program Year 2000 (July 1, 1999 - June 30, 2000), 7,100 Individual Training Accounts (ITAs) were issued. This number of ITAs was estimated from Outcome Information from the Adult and Dislocated Worker Programs from that Program Year.

Currently, the State List of Eligible Training Providers identifies that 4,657 training programs offered through 486 training providers are initially eligible. It includes the 7 state technical college campuses, 60 Vocational Education campuses, 62 College Campuses under the Ohio Board of Regents, private for-profit and nonprofit schools and training agencies. The complete list is located at <http://www.ohioworkforce.org/docs/wiai/Eligible%20Training%20Provider%20List%2026.pdf>.

Comparing the number of ITAs issued to the number of programs listed shows a significant disparity in the amount of WIA information available to determine subsequent year eligibility. Without the waiver, over the next several months local Workforce Investment Board (WIBs) and the ODJFS will arbitrarily determine subsequent year eligibility for programs and training providers with little or no WIA performance data available. This will have a negative impact on training programs and providers and undermine the successful statewide effort to create and maintain a comprehensive state list of eligible training providers, which supports the WIA principle of "Customer Choice."

ODJFS's intent is to increase the number of ITAs issued in PY2001 and in PY2002 based on Ohio's improving economy and the increased need for skilled workers. In the fall of 2003 local WIBs and ODJFS should have adequate WIA performance information to make informed decisions on subsequent year eligibility. It, also, will enhance ODJFS's ability to set statewide minimum performance levels for WIA measures that reflect current data.

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Waiver Plan

To accomplish its goal, ODJFS/OWD intends to engage in the following activities:

1. Conduct workshops and provide technical assistance on ITAs and the State List of Eligible Training Providers, and develop a resource guide on Ohio's ITA/ETP process. This was a recommendation of the Performance Measures Committee of the Governor's Workforce Policy Board.
 - ITA/ETP workshops were held in the Winter of 2002 and will be held in Spring 2003.
 - An ITA/ETP session will be scheduled for the next WIA Conference.
 - A specially designed training on the role of case managers in the ITA/ETP process and the techniques for using the State List of Eligible Training Providers will be held in the winter of 2003.
 - Technical assistance for training providers will be conducted to help them adjust to data collection and reporting requirements. This began in Winter 02 and will be an ongoing activity.
2. Establish a new ETP site within the department's new WIA data gathering system
 - It will be an agreed-upon system with WIBs, training providers, ODJFS, and ITA customers, which will be user-friendly for ITA users, case managers, and training providers.
 - It will encompass expanded functionality.
 - Work has begun on the development of the site and will be completed by June 2003.
3. Finalize processes for obtaining All-Student performance information
 - Negotiations have been under way with the Ohio Board of Regents and the Ohio Department of Education to identify how All-Student performance information will be obtained for programs listed at each of the campuses. (To be completed by June 30, 2002)
 - Other training providers' All-Student performance information will be studied to determine its relationship to the performance information supplied by Title IV training institutions. (Ongoing)
4. Enhance communication to the field on ITA issues.
 - Begin distributing information notices on subsequent year policy issues (June 2002).
 - Develop a marketing campaign to promote ITAs and the new ETP web-site (Begin Summer 2002).

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E. Description of the Individuals Impacted by the Waiver: All customers (training providers, local WIBs, OWD, and ITA users) will be positively affected by the waiver.

1. Training providers initially eligible and on the State List of Eligible Training Providers will have an additional opportunity to establish a WIA performance base before subsequent year determination has to be made.
2. Local WIBs will have WIA performance information before having to make subsequent year determinations.
3. ODJFS/OWD will have more performance information to determine statewide minimum performance levels for WIA measures. In addition, the department will have more time to improve the quality of the state ITA/ETP program and increase the number of ITAs issued.
4. ITA users will have a wider selection of training providers for a longer period of time until subsequent eligibility is determined.

F. Description of the Process to Monitor Progress: The Office of Workforce Development will monitor progress being made on activities and time frames identified in 11.